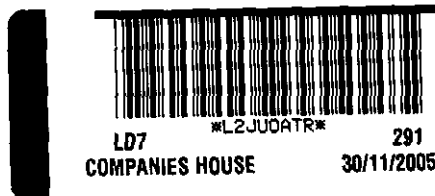


Company Registration No. 2091272

IBC VEHICLES LIMITED

Report and Financial Statements

31 December 2004



IBC VEHICLES LIMITED

REPORT AND FINANCIAL STATEMENTS 2004

CONTENTS

Page

Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities	4
Independent auditors' report	5
Consolidated profit and loss account	6
Consolidated balance sheet	7
Company balance sheet	8
Reconciliation of movements in equity shareholders' funds	9
Notes to the accounts	10

IBC VEHICLES LIMITED

REPORT AND FINANCIAL STATEMENTS 2004

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

J Fulcher
D Sanford

SECRETARY

R S Nagi

REGISTERED OFFICE

P O Box 163
Kimpton Road
Luton
LU2 0TY

BANKERS

HSBC Bank plc
Barclays Bank PLC

AUDITORS

Deloitte & Touche LLP
London

IBC VEHICLES LIMITED

DIRECTORS' REPORT

The Directors of IBC Vehicles Limited ("the Company") submit their annual report and audited financial statements for the year ended 31 December 2004.

ACTIVITIES

The activities of the Group continue to be the manufacture of motor vehicles, pressed parts and related spare parts and components.

Within the UK, the Company's main products are marketed as the Vauxhall Vivaro, Renault Traffic and Nissan Primastar vans. In all other European countries, the Vivaro product is sold under the Opel badge; Renault and Nissan market their product as Traffic and Primastar respectively.

OPERATING AND FINANCIAL REVIEW

The Company produced 89,000 vehicles during 2004 operating a three-shift production process. The vans were sold under 4 different badges: Vauxhall, Opel, Renault and Nissan and sold across all of Europe.

The Group made a profit after tax in 2004 of £15.0 million (2003 - £20.0 million).

On 23 June 2004, GM Automotive UK acquired the whole of the issued share capital of the company from General Motors Holdings (UK). Both companies are wholly owned subsidiaries of General Motors Corporation.

FUTURE DEVELOPMENTS

As a member of the European family of General Motors, the Company will face a number of significant challenges in 2005 as the organisation continues to restructure to achieve profitability on a European basis and consequently we will require funding support from General Motors Companies. A key programme to aid General Motors Europe in this endeavour was announced in October 2004 by General Motors Europe. This will reduce Europe-wide annual costs by around €500 million.

Demand for the Company's vans across the whole of Europe is currently very positive and the factory expects to be able to deliver the market demand through continuous improvements in productivity.

EMPLOYEE INVOLVEMENT

The Board regards employee involvement and effective communication as essential to maintain productive relationships, achieve improved performance and ensure commitment to the Company's business objectives.

Discussions take place regularly with the trade unions and other employee representatives on a wide range of issues through the forum of the Joint Leadership Committee. Additionally, all employees are briefed throughout the year on the current business status and the immediate outlook through a range of communication forums.

EMPLOYMENT OF DISABLED PERSONS

The Company gives full consideration to the possibility of employing disabled persons wherever suitable possibilities exist. Employees who become disabled are given every opportunity and assistance to continue in their employment or to be trained for other suitable positions.

IBC VEHICLES LIMITED

DIRECTORS' REPORT (continued)

DIVIDENDS

The Directors do not propose the payment of a dividend (2003 – £nil).

DONATIONS

No donations for political purposes were made during the year (2003 – £nil). The Company has made donations of £4,683 during the year for charitable purposes (2003 - £4,313).

DIRECTORS AND THEIR INTERESTS

The present members of the Board of Directors are shown on Page 1. There were the following changes in Directors during the year and since the year end:

P Thom	(resigned 24 November 2004)
K Wale	(resigned 9 May 2005)
D Sanford	(appointed 15 June 2005)
M James	(resigned 1 November 2005)
J Fulcher	(appointed 1 November 2005)

At the end of the year there existed an arrangement between companies in the United Kingdom Group and General Motors Corporation under which group companies met the cost of certain awards made by the General Motors Stock Incentive Plan to eligible employees, who qualify by virtue of their employment. Such awards might include awards of Common Stock or options for Common Stock of General Motors Corporation and the eligible employees to whom such awards might be made include Directors of the Company who are also employees or Directors of other United Kingdom group companies. During the year all Directors held shares or options acquired under the arrangement.

The Directors had no interests at any time during the year in the shares of IBC Vehicles Limited, nor any other company within the United Kingdom group.

AUDITORS

A resolution proposing the reappointment of Deloitte & Touche LLP as Auditors of the Company will be put to the Annual General Meeting. In addition, a further resolution will be put to the Meeting authorising the Directors to determine the Auditors' remuneration.

Approved by the Board of Directors
and signed on behalf of the Board



Director

22 November 2005

IBC VEHICLES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial year and of the profit or loss of the Group for that period. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and Group and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, for safeguarding the assets of the Company and Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IBC VEHICLES LIMITED

We have audited the financial statements of IBC Vehicles Limited for the year ended 31 December 2004 which comprise the consolidated profit and loss account, the balance sheets, the reconciliation of movement in consolidated shareholders' deficit and the related notes 1 to 21. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditors

As described in the statement of Directors' responsibilities, the Company's Directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the Directors' report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and transactions with the Company and other members of the Group is not disclosed.

We read the Directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the circumstances of the Company and the Group, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and the Group as at 31 December 2004 and of the profit of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche LLP

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
London

25.11.2005

IBC VEHICLES LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

Year ended 31 December 2004

	Notes	2004 £'000	2003 £'000
TURNOVER	2	686,894	709,975
Cost of sales			
Exceptional costs of sales	3	-	(6,888)
Other cost of sales		<u>(663,740)</u>	<u>(677,069)</u>
Total cost of sales		<u>(663,740)</u>	<u>(683,957)</u>
Gross profit		23,154	26,018
Distribution costs		(2)	(184)
Administrative expenses			
Exceptional administrative costs	3	-	(1,456)
Other administrative (expenses)/income		<u>946</u>	<u>4,439</u>
Total administrative (expenses)/income		<u>946</u>	<u>2,983</u>
OPERATING PROFIT	3	24,098	28,817
Interest receivable and similar income	4	379	383
Interest payable and similar charges	5	<u>(9,492)</u>	<u>(9,201)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		14,985	19,999
Tax on profit on ordinary activities	6	<u>-</u>	<u>-</u>
RETAINED PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE FINANCIAL YEAR	17	<u>14,985</u>	<u>19,999</u>

All amounts in both the current and preceding financial years derive from continuing operations.

During the current and preceding financial years there were no gains or losses other than those recognised in the profit and loss account and consequently no statement of total recognised gains and losses has been prepared.

IBC VEHICLES LIMITED

**CONSOLIDATED BALANCE SHEET
31 December 2004**

	Notes	2004 £'000	2003 £'000
FIXED ASSETS			
Tangible assets	9	<u>103,141</u>	<u>110,160</u>
CURRENT ASSETS			
Stocks	11	12,191	16,441
Debtors	12	183,219	200,446
Cash at bank and in hand		-	78
		<u>195,410</u>	<u>216,965</u>
CREDITORS:			
Amounts falling due within one year	13	<u>(333,112)</u>	<u>(374,054)</u>
NET CURRENT LIABILITIES		<u>(137,702)</u>	<u>(157,089)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(34,561)</u>	<u>(46,929)</u>
CREDITORS:			
Amounts falling due after more than one year	14	(8,211)	(10,380)
PROVISIONS FOR LIABILITIES AND CHARGES	15	<u>(248)</u>	<u>(696)</u>
NET LIABILITIES		<u>(43,020)</u>	<u>(58,005)</u>
CAPITAL AND RESERVES			
Called up share capital	16	239,000	239,000
Profit and loss account	17	<u>(282,020)</u>	<u>(297,005)</u>
EQUITY SHAREHOLDERS' DEFICIT		<u>(43,020)</u>	<u>(58,005)</u>

These financial statements were approved by the Board of Directors on 22 November 2005 and are signed on its behalf by:



Director


22 November 2005

IBC VEHICLES LIMITED

**COMPANY BALANCE SHEET
31 December 2004**

	Notes	2004 £'000	2003 £'000
FIXED ASSETS			
Tangible assets	9	103,141	110,160
Investments	10	100	100
		<u>103,241</u>	<u>110,260</u>
CURRENT ASSETS			
Stocks	11	12,191	16,441
Debtors	12	183,191	198,773
Cash at bank and in hand		-	78
		<u>195,382</u>	<u>215,292</u>
CREDITORS:			
Amounts falling due within one year	13	<u>(333,112)</u>	<u>(372,409)</u>
NET CURRENT LIABILITIES		<u>(137,730)</u>	<u>(157,117)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(34,489)</u>	<u>(46,857)</u>
CREDITORS:			
Amounts falling due after more than one year	14	(8,211)	(10,380)
PROVISIONS FOR LIABILITIES AND CHARGES		<u>(248)</u>	<u>(696)</u>
NET LIABILITIES		<u>(42,948)</u>	<u>(57,933)</u>
CAPITAL AND RESERVES			
Called up share capital	16	239,000	239,000
Profit and loss account	17	<u>(281,948)</u>	<u>(296,933)</u>
EQUITY SHAREHOLDERS' DEFICIT		<u>(42,948)</u>	<u>(57,933)</u>

These financial statements were approved by the Board of Directors on 22 November 2005 and are signed on its behalf by:


Director

22 November 2005

IBC VEHICLES LIMITED

**RECONCILIATION OF MOVEMENT IN
CONSOLIDATED SHAREHOLDERS' DEFICIT
Year ended 31 December 2004**

	2004	2003
	£'000	£'000
Profit for the financial year	14,985	19,999
Opening shareholders' deficit	<u>(58,005)</u>	<u>(78,004)</u>
Closing shareholders' deficit	<u><u>(43,020)</u></u>	<u><u>(58,005)</u></u>

IBC VEHICLES LIMITED

NOTES TO THE ACCOUNTS **Year ended 31 December 2004**

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted, which are consistent with those applied in the prior year, are described below.

Accounting basis

The financial statements are prepared on the historical cost basis in conformity with United Kingdom applicable accounting standards.

Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and its subsidiary undertaking up to 31 December 2004, using the acquisition method.

Cash flow statement

The group has taken advantage of the exemption in Financial Reporting Standard 1 "Cash Flow Statements" from the requirement to produce a cash flow statement because IBC Vehicles Limited is a wholly owned subsidiary of GM Automotive UK, a company incorporated in England and Wales. The results of IBC Vehicles Limited are consolidated in the accounts of GM Automotive UK (See note 20).

Fixed assets

Freehold land is not depreciated. The cost or valuation of other fixed assets is depreciated by equal monthly instalments over the expected useful lives of the assets as follows:

Freehold buildings	25 years
Plant, machinery and equipment	3 to 25 years
Special tools, jigs and dies	The costs of special tools, jigs and dies are written off over the estimated production run of the models to which they relate.

Assets in the course of construction are not depreciated. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or over the periods of the leases where these are shorter.

Leased assets

Assets held under leasing arrangements that transfer substantially all the risks and rewards of ownership to the Company are capitalised at their fair value.

The capital element of the related rental obligations is included in creditors. The interest element of the rental obligation is charged to the profit and loss account so as to produce a constant rate of charge on the remaining balance of the obligations.

Rentals in respect of operating leases are charged to the profit and loss account in equal annual instalments over the lease term.

Deferred taxation

Deferred taxation is provided in full using the liability method for all timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no binding contract to dispose of these assets. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

IBC VEHICLES LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 December 2004

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted, which are consistent with those applied in the prior year, are described below.

Accounting basis

The financial statements are prepared on the historical cost basis in conformity with United Kingdom applicable accounting standards.

Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and its subsidiary undertaking up to 31 December 2004, using the acquisition method.

Cash flow statement

The group has taken advantage of the exemption in Financial Reporting Standard 1 "Cash Flow Statements" from the requirement to produce a cash flow statement because IBC Vehicles Limited is a wholly owned subsidiary of GM Automotive UK, a company incorporated in England and Wales. The results of IBC Vehicles Limited are consolidated in the accounts of GM Automotive UK (See note 20).

Fixed assets

Freehold land is not depreciated. The cost or valuation of other fixed assets is depreciated by equal monthly instalments over the expected useful lives of the assets as follows:

Freehold buildings	25 years
Plant, machinery and equipment	3 to 25 years
Special tools, jigs and dies	The costs of special tools, jigs and dies are written off over the estimated production run of the models to which they relate.

Assets in the course of construction are not depreciated. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or over the periods of the leases where these are shorter.

Leased assets

Assets held under leasing arrangements that transfer substantially all the risks and rewards of ownership to the Company are capitalised at their fair value.

The capital element of the related rental obligations is included in creditors. The interest element of the rental obligation is charged to the profit and loss account so as to produce a constant rate of charge on the remaining balance of the obligations.

Rentals in respect of operating leases are charged to the profit and loss account in equal annual instalments over the lease term.

Deferred taxation

Deferred taxation is provided in full using the liability method for all timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no binding contract to dispose of these assets. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

IBC VEHICLES LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 December 2004

1. ACCOUNTING POLICIES (continued)

Stocks and work-in-progress

Stocks and work-in-progress are valued at the lower of cost and net realisable value.

Costs used in the valuation are based either on the 'first in - first out' basis, or on a weighted average basis, and include material, labour and appropriate overheads.

Provision is made for any anticipated obsolescence of stocks.

Foreign currencies

Foreign currency monetary assets and liabilities at the balance sheet date are translated into sterling at rates prevailing at the balance sheet date or at forward cover rates, if applicable. Foreign currency transactions during the year are translated at the rate of exchange ruling at the time. The exchange gains and losses are dealt with through the profit and loss account for the year.

Warranty liability on Company products

Provision is made for potential abnormal warranty or service liabilities on all products. Normal warranty costs are dealt with by the final wholesaler.

Pension costs

Contributions to the Company's pension fund are charged to the profit and loss account on a systematic basis over the expected average remaining service lives of current employees, adjusted for interest on the discounted cumulative adjustment.

Turnover

Turnover represents the sales of motor vehicles, components, parts and accessories net of trade discounts, VAT and other sales related taxes.

Fixed asset investments

Fixed asset investments are stated at cost less any provision for impairment.

2. TURNOVER - GEOGRAPHICAL ANALYSIS BY DESTINATION

	2004	2003
	£'000	£'000
United Kingdom	222,753	215,882
Other European countries	464,141	494,093
	<u>686,894</u>	<u>709,975</u>

The Group is engaged in one principal activity, the manufacture and distribution of motor vehicles and related spare parts and components.

A geographical analysis of the profit before tax has not been given, as in the opinion of the Directors, this would be prejudicial to the interests of the Company.

The directors have revised the prior year disclosure of United Kingdom turnover to include right hand drive vehicles sold to other European countries. The total turnover is unchanged.

IBC VEHICLES LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 December 2004

3. OPERATING PROFIT

	2004	2003
	£'000	£'000
Operating profit on ordinary activities before taxation is after charging:		
Exceptional cost of sales	-	6,888
Exceptional administrative expenses	-	1,456
Depreciation and amortisation of tangible fixed assets (2003 - excluding £1,578,000 classed as exceptional):		
Owned assets	8,489	8,543
Assets held under finance leases	2,586	2,791
Rentals under operating leases:		
Hire of plant and machinery	323	144
Auditors' remuneration:		
Audit fees	76	82
	<u>76</u>	<u>82</u>

Exceptional costs in 2003 which relate to the cessation of the Frontera production include charges for separations, stock write-downs and depreciation on assets.

Non-exceptional administrative income in 2003 included the release of a £4.4 million non-trading related accrual and £1.7 million contract cancellation provision which are no longer required.

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	2004	2003
	£'000	£'000
Bank interest	<u>379</u>	<u>383</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2004	2003
	£'000	£'000
Loans from group undertakings	(8,950)	(8,579)
Finance leases	(542)	(622)
	<u>(9,492)</u>	<u>(9,201)</u>

IBC VEHICLES LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 December 2004

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

There was no tax charge or tax credit in respect of corporation tax or deferred tax in the year.

The tax assessed for the period differs to that resulting from applying the standard rate of corporation tax in the UK of 30% (2003 – 30%). The differences are explained below:

Group	2004 £'000	2003 £'000
Profit on ordinary activities before tax	<u>14,985</u>	<u>19,999</u>
Tax at UK rate of 30% (2003 – 30%) thereon	4,496	6,000
Effects of:		
Permanent differences	101	(51)
Capital allowances in excess of depreciation	(2,407)	(1,117)
Short term timing differences	(210)	(63)
Group relief not paid for	(114)	(115)
Utilisation of losses brought forward	<u>(1,866)</u>	<u>(4,654)</u>
Current tax for the year	<u>-</u>	<u>-</u>

IBC VEHICLES LIMITED

NOTES TO THE ACCOUNTS **Year ended 31 December 2004**

7. DIRECTORS' EMOLUMENTS

	2004	2003
	£'000	£'000
Emoluments (excluding pension contributions and awards under share option schemes and other long-term incentive schemes)	259	257
Contributions paid to a money purchase pension scheme	6	6
	<u>No.</u>	<u>No.</u>
Number of Directors who received, or became eligible to receive, shares during the year	<u>3</u>	<u>3</u>
	<u>No.</u>	<u>No.</u>
Number of directors (* - includes the highest paid director) who:		
are members of a defined benefit pension scheme	3*	4*
exercised share options	-	-
have received awards during the year in the form of shares under long-term incentive schemes	-	-
	<u>£'000</u>	<u>£'000</u>
Highest paid director's remuneration:		
Aggregate of emoluments and awards under long-term incentive schemes (excluding pension contributions, share options gains and awards in the form of shares)	<u>190</u>	<u>193</u>

The amount of the accrued pension of the highest-paid director at 31 December 2004 is £27,227 p.a. (2003 – £23,108 p.a.)

8. EMPLOYEES

	2004	2003
	No.	No.
Average weekly number		
Administration	171	176
Production	1,988	2,065
	<u>2,159</u>	<u>2,241</u>
	<u>£'000</u>	<u>£'000</u>
Costs		
Wages and salaries	60,570	61,042
Social security costs	4,819	4,661
Pension costs	4,471	8,071
	<u>69,860</u>	<u>73,774</u>

IBC VEHICLES LIMITED

NOTES TO THE ACCOUNTS Year ended 31 December 2004

9. TANGIBLE FIXED ASSETS

The Group and the Company	Freehold land and buildings £'000	Plant, machinery and equipment £'000	Special tools, jigs and dies £'000	Total £'000
Cost				
At 1 January 2004	33,841	156,552	67,522	257,915
Additions at cost	51	4,516	2,160	6,727
Disposals	(560)	(30,957)	(3,385)	(34,902)
At 31 December 2004	<u>33,332</u>	<u>130,111</u>	<u>66,297</u>	<u>229,740</u>
Depreciation				
At 1 January 2004	8,136	81,713	57,906	147,755
Charge for the year	1,867	7,384	1,824	11,075
Disposals	(560)	(30,811)	(860)	(32,231)
At 31 December 2004	<u>9,443</u>	<u>58,286</u>	<u>58,870</u>	<u>126,599</u>
Net book value				
At 31 December 2004	<u>23,889</u>	<u>71,825</u>	<u>7,427</u>	<u>103,141</u>
At 31 December 2003	<u>25,705</u>	<u>74,839</u>	<u>9,616</u>	<u>110,160</u>

The net book value of fixed assets includes £14,666,160 (2003 – £18,373,168) in respect of assets held under finance leases all in respect of plant, machinery and equipment.

10. INVESTMENTS

The Company	£'000
Shares in subsidiary at cost:	
At 1 January 2004 and at 31 December 2004	<u>100</u>

The Company's sole subsidiary is IBC Vehicles (Distribution) Limited which is wholly owned. This company, which is registered in England and Wales, is a motor vehicle distributor.

IBC VEHICLES LIMITED

NOTES TO THE ACCOUNTS **Year ended 31 December 2004**

11. STOCKS

	The Group		The Company	
	2004	2003	2004	2003
	£'000	£'000	£'000	£'000
Raw materials	11,695	15,966	11,695	15,966
Work in progress	496	475	496	475
	<u>12,191</u>	<u>16,441</u>	<u>12,191</u>	<u>16,441</u>

12. DEBTORS

	The Group		The Company	
	2004	2003	2004	2003
	£'000	£'000	£'000	£'000
Trade debtors	69,367	70,096	3,204	7,381
Amounts owed by group undertakings:				
Fellow subsidiary undertakings	103,171	99,089	174,972	176,602
Other debtors	10,348	31,243	4,682	14,772
Prepayments	333	18	333	18
	<u>183,219</u>	<u>200,446</u>	<u>183,191</u>	<u>198,773</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	The Group		The Company	
	2004	2003	2004	2003
	£'000	£'000	£'000	£'000
Bank loans and overdrafts	51	1,328	51	1,328
Obligations under finance leases (see note 14)	2,169	2,885	2,169	2,885
Trade creditors	110,028	97,885	110,028	97,885
Amounts owed to group undertakings:				
Fellow subsidiary undertakings	202,425	236,118	202,425	234,473
Taxation and social security	14,009	24,901	14,009	24,901
Other creditors	3,805	5,441	3,805	5,441
Accruals	625	5,496	625	5,496
	<u>333,112</u>	<u>374,054</u>	<u>333,112</u>	<u>372,409</u>

Within amounts owed to fellow subsidiary undertakings is £180 million intercompany funding from the European Regional Treasury Centre ("ERTC") and the company has received a funding commitment from the ERTC of £175 million to fund the company's operations in the coming year.

IBC VEHICLES LIMITED

NOTES TO THE ACCOUNTS **Year ended 31 December 2004**

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	The Group and the Company	
	2004	2003
	£'000	£'000
Obligations under secured finance leases	8,211	10,380

Finance leases are repayable in instalments at varying rates of interest.

The capital amounts due under finance lease obligations are as follows:

	£'000	£'000
Within one year (see note 13)	2,169	2,885
Between one and two years	1,289	2,169
Between two and five years	4,899	4,369
After five years	2,023	3,842
	<u>10,380</u>	<u>13,265</u>

15. PROVISIONS FOR LIABILITIES AND CHARGES

The Group and the Company	Pension provision £'000	Contract cancellation costs £'000	Total £'000
At 1 January 2004	-	696	696
Utilised in the year	-	(398)	(448)
Released to the profit and loss account	-	(50)	-
	<u>-</u>	<u>(448)</u>	<u>(448)</u>
At 31 December 2004	-	248	248

Contract cancellation costs

The provision relates to the cost of cancelling contracts for expenditure expected to be incurred in relation to the cessation of Frontera production.

IBC VEHICLES LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 December 2004

15 PROVISIONS FOR LIABILITIES AND CHARGES (continued)

Deferred taxation

Deferred taxation is analysed over the following timing differences:

	2004 £'000	2003 £'000
The Group and the Company		
Accelerated capital allowances	-	-
Short term timing differences	-	-
Tax losses	-	-
	<u>-</u>	<u>-</u>
Total provision	<u>-</u>	<u>-</u>

The amounts of unprovided deferred taxation are as follows:

	2004 £'000	2003 £'000
Accelerated capital allowances	71	1,562
Short term timing differences	1,010	-
Tax losses	(83,913)	(83,314)
	<u>(82,832)</u>	<u>(81,752)</u>
Total unprovided deferred tax balance	<u>(82,832)</u>	<u>(81,752)</u>

16. CALLED UP SHARE CAPITAL

	2004 No.	2004 £'000	2003 No.	2003 £'000
Called up share capital				
Authorised				
Ordinary shares of £1 each	239,000,000	239,000	239,000,000	239,000
	<u>239,000,000</u>	<u>239,000</u>	<u>239,000,000</u>	<u>239,000</u>
Allotted, called up and fully paid				
Ordinary shares of £1 each	239,000,000	239,000	239,000,000	239,000
	<u>239,000,000</u>	<u>239,000</u>	<u>239,000,000</u>	<u>239,000</u>

17. RESERVES

	The Group £'000	The Company £'000
Profit and loss account		
At 1 January 2004	(297,005)	(296,933)
Profit for the financial year	14,985	14,985
	<u>(282,020)</u>	<u>(281,948)</u>
At 31 December 2004	<u>(282,020)</u>	<u>(281,948)</u>

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year is £14,985,000 (2003 £19,999,000).

IBC VEHICLES LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 December 2004

18. COMMITMENTS

At 31 December 2004 the company had capital expenditure commitments amounting to £1.2 million, which are not provided for in these financial statements (2003 – £nil).

At 31 December 2004 the Group was committed to making the following payments during the next year in respect of operating leases:

	Plant and machinery	
	2004	2003
	£'000	£'000
Leases which expire:		
Within one year	103	48
Within two to five years	18	18
	<hr/>	<hr/>
	121	66
	<hr/>	<hr/>

19. PENSIONS

The Company makes contributions to two pension plans, each of which is of the "defined benefit" type where pensions are determined by an employee's earnings level and length of service.

The two plans are the Vauxhall Motors Limited Pension Plan ('VMLPP') and the IBC Vehicles Pension Plan ('IBCVPP').

The assets of the plans are held in trustee-administered funds, and are completely separate from the assets of the Company.

Funding

Funding is provided at a level determined after taking independent professional actuarial advice, with the Company meeting the balance of the cost not covered by members' contributions.

Pension cost

The Company pension cost for 2004 was £4.5 million (2003 - £8.1 million) calculated in accordance with the provisions of Statement of Standard Accounting Practice 24 "Accounting for Pension Costs", consistently applied. The latest actuarial valuation of the VMLPP and IBCVPP plans were performed at 1 January 2002. The actuarial valuations were performed using a market-led approach in which the assets are valued at their market value at the date of the valuation, and liabilities are valued using financial assumptions derived from market yields on Fixed Interest and Index-linked Government stock at the valuation date.

Assumptions

The principal assumptions underlying the valuation were: the discount rate, which took into account the ability to actually achieve a higher return than gilts, was set at 6.2%, the investment return at 7.9%, pay increases at 3.5% per annum, price inflation of 2.5% per annum and increases to pensions in payment (in excess of the guaranteed minimum pension in payment) for pre and post-January 1992 service of 1.3% and 2.5% respectively. The valuation also includes allowance for improved life expectancy, based on recent experience. The above method and assumptions have also been used to calculate the pension cost. The valuation also took into account the closure of Vauxhall Motors Limited's Luton plant at the end of March 2002. Approximately 1,000 members transferred to IBC Vehicles Limited but remained members of the pensions plan and a further 1,800 employees received immediate or deferred pensions.

IBC VEHICLES LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 December 2004

19. PENSIONS (continued)

Funding level

At 1 January 2002, the market value of the assets of the VMLPP were £859 million and the market value of the assets of the IBCVPP were £102 million. The actuarial value of the assets was sufficient to cover 93% and 89% respectively of the benefits that had accrued to members. This was after the actuary had applied a smoothing adjustment of approximately 7% to reflect the volatility between the actual assets in which the plans are invested and the combination of UK Gilts and Index-linked which most closely match the plans' liabilities, and specifically the under or over performance of the plans' actual investments relative to the matched portfolio over the past three year period. At the same date the plans were 111% and 94% respectively funded on a Minimum Funding Requirement basis.

Contributions to the Pension Plans

During 2004 the Company made contributions to the plans of £5.2 million (2003 - £10.5 million). Company contributions to the IBCVPP were 17% of pensionable pay throughout 2004. Company contributions to the VMLPP increased from 10% to 14% of pensionable pay on 1 April 2004.

Financial Reporting Standard 17 "Retirement Benefits"

The valuations have been updated to 31 December 2004 in accordance with Financial Reporting Standard 17 "Retirement Benefits" by independent, qualified actuaries. The principal assumptions used by the actuaries were:

	31 December 2004 % pa	31 December 2003 % pa	31 December 2002 % pa
Price inflation	2.9	2.8	2.3
Rate of general long-term increase in salaries	3.4	3.3	3.3
Rates of increase to pensions in payment			
- Guaranteed LPI (RPI to maximum of 5%)	2.7	2.7	2.3
- ½ RPI to maximum of 3%	1.4	1.4	1.2
Discount rate for scheme liabilities	5.3	5.5	5.7
Long-term rate of return on assets			
- Equities	8.5	8.5	8.5
- Property	7.5	7.5	8.0
- Government bonds	4.5	4.8	4.5
- Corporate bonds	5.2	5.5	5.5
- Other	4.8	4.0	3.4

The VMLPP into which the Company contributes is a multi-employer scheme. In the opinion of the Directors, it is not possible to separate out on a reasonable and consistent basis the assets and liabilities of the scheme between the different group companies which contribute to it. Accordingly, on adoption of Financial Reporting Standard 17 in full it will be accounted for on a defined contribution basis within IBC Vehicles Limited and on a defined benefit basis in the consolidated accounts of GM Automotive UK.

The IBCVPP into which the Company contributes is a single-employer scheme. The Directors believe that it would be correct to account for the whole of this scheme on a defined benefit basis in IBC Vehicles Limited on the adoption of Financial Reporting Standard 17 in full.

IBC VEHICLES LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 December 2004

19. PENSIONS (continued)

Financial Reporting Standard 17 "Retirement Benefits" (continued)

The values of assets and liabilities below are the result of an update exercise performed by qualified actuaries as at 31 December 2004, rather than a full actuarial valuation at the balance sheet date. The update exercise is based on the last full valuations that were carried out at 1 January 2002 for both the VMLPP and IBCVPP. The update exercise did not involve the same level of detail as a full actuarial valuation, and there may be differences between the results of the update and those of a full valuation. The figures below are based on what are, in the Directors' opinion reasonable assumptions, and reflect their best estimate of the current position.

The assets and liabilities of the IBCVPP scheme, which will be accounted for on a defined benefit basis on the full adoption of Financial Reporting Standard 17, at 31 December 2004 were:

	Value at 31 December 2004 £m	IBCVPP Value at 31 December 2003 £m	Value at 31 December 2002 £m
Equities	66.4	71.5	61.3
Property	11.2	-	-
Government bonds	24.4	22.0	24.3
Corporate bonds	16.3	15.7	8.3
Other	0.7	0.6	0.9
	<hr/>	<hr/>	<hr/>
Total market value of assets	119.0	109.8	94.8
Present value of scheme liabilities	(172.6)	(158.5)	(143.1)
	<hr/>	<hr/>	<hr/>
Deficit in scheme	(53.6)	(48.7)	(48.3)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Had the Group adopted Financial Reporting Standard 17 early, the profit and loss reserves at 31 December 2002, 2003 and 2004 would have been stated as follows:

	2004 £m	2003 £m	2002 £m
Profit and loss reserve	(282.0)	(297.0)	(317.0)
SSAP 24 pension liability	-	-	0.2
	<hr/>	<hr/>	<hr/>
Profit and loss reserve excluding pension liability	(282.0)	(297.0)	(316.8)
Pension reserve	(53.6)	(48.7)	(48.3)
	<hr/>	<hr/>	<hr/>
Profit and loss reserve	(335.6)	(345.7)	(365.1)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

IBC VEHICLES LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 December 2004

19. PENSIONS (continued)

Financial Reporting Standard 17 "Retirement Benefits" (continued)

Further information regarding the IBCVPP scheme is shown below.

The analysis of the amount charged to operating profit would have been as follows:

	IBCVPP	
	2004	2003
	£m	£m
Current service cost	4.3	4.2
Total operating charge	<u>4.3</u>	<u>4.2</u>

The analysis of the amount charged to other finance income would have been as follows:

	IBCVPP	
	2004	2003
	£m	£m
Expected return on pension scheme assets	8.0	6.9
Interest on pension scheme liabilities	<u>(8.7)</u>	<u>(8.2)</u>
Net finance cost	<u>(0.7)</u>	<u>(1.3)</u>

The amount recognised in the Statement of Total Recognised Gains and Losses would have been as follows:

	IBCVPP	
	2004	2003
	£m	£m
Actual return less expected return on pension scheme assets	2.8	7.8
Experience (losses)/gains arising on the scheme liabilities	0.2	(0.1)
Changes in assumptions underlying the present value of the scheme liabilities	<u>(6.6)</u>	<u>(8.7)</u>
Actuarial loss that would have been recognised in the Statement of Total Recognised Gains and Losses	<u>(3.6)</u>	<u>(1.0)</u>

IBC VEHICLES LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 December 2004

19. PENSIONS (continued)

Financial Reporting Standard 17 "Retirement Benefits" (continued)

The analysis of movement in deficit during the year would have been as follows:

	IBCVPP	
	2004 £m	2003 £m
Deficit in scheme at beginning of the year	(48.7)	(48.3)
Current service cost	(4.3)	(4.2)
Contributions	3.7	10.4
Past service costs	-	-
Separation programme costs	-	(4.3)
Other finance income	(0.7)	(1.3)
Actuarial loss	(3.6)	(1.0)
	<u>(53.6)</u>	<u>(48.7)</u>

History of experience gains and losses:

	IBCVPP		
	2004	2003	2002
Difference between expected and actual return on scheme assets:			
Amount (£m)	2.8	7.8	(20.2)
Percentage of scheme assets	2.4%	7.1%	(21.3%)
Experience gains/(losses) on scheme liabilities:			
Amount (£m)	0.2	(0.1)	18.6
Percentage of the present value of the scheme liabilities	0.1%	(0.1%)	13.0%
Total amount recognised in Statement of Total Recognised Gains and Losses:			
Amount (£m)	(3.6)	(1.0)	(3.1)
Percentage of the present value of the scheme liabilities	(2.1%)	(0.6%)	(2.2%)

For the VMLPP, the whole assets and liabilities (not just those relating to IBC Vehicles Limited) updated to 31 December 2004 on the assumptions above were as follows:

	VMLPP	
	2004 £m	2003 £m
Assets	912.2	842.0
Liabilities	(1,328.8)	(1,223.1)
	<u>(416.6)</u>	<u>(381.1)</u>

IBC VEHICLES LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 December 2004

20. ULTIMATE PARENT UNDERTAKING

The ultimate parent company and controlling entity of the Company, and parent of the largest group for which consolidated accounts are prepared of which this Company is a part, is General Motors Corporation, a company registered in the State of Delaware USA. The financial statements of General Motors Corporation are available from Global Headquarters, 300 Renaissance Centre, PO Box 300, Detroit, Michigan, 48265 - 3000 USA.

The immediate parent company and controlling entity of the Company is GM Automotive UK, a company incorporated in England and Wales. The parent of the smallest group for which consolidated accounts are prepared of which this company is a part is GM Automotive UK. The consolidated accounts of GM Automotive UK will be filed with the Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

21. RELATED PARTY TRANSACTIONS

The Company is taking advantage of the exemption granted by paragraph 3(c) of Financial Reporting Standard 8 "Related Party Transactions" not to disclose transactions with General Motors Corporation group companies or interests of the General Motors Corporation group who are related parties.